

Program E: Office of Agro-Consumer Services

Program Authorization: R.S. 376:628(D)

PROGRAM DESCRIPTION

The mission of the Office of Agro-Consumer Services Program is to regulate weights and measures; license weighmasters, scale companies and technicians; license and inspect bonded farm warehouses and milk processing plants; and license grain dealers, warehouses and cotton buyers. The goal of the Agro-Consumer Services Program is to provide regulatory services to ensure consumer protection for Louisiana producers and consumers. Towards this end, the Agro-Consumer Services Program: (1) regulates the measuring, sampling, testing and transportation of dairy products and audits all processors, distributors and retailers of dairy products; (2) licenses, inspects and audits all grain dealers, warehouses and cotton buyers in the state; (3) certifies and inspects all commercially used weights, measures and weighing and measuring devices, including product scanners and motor fuel pumps; (4) licenses scale companies and technicians; (5) provides price stability in the marketplace and assures an environment for fair and equal competitiveness as provided under Dairy Stabilization Board rules and regulations; (6) maintains the official state standards of mass, length and volume, which are traceable to the National Institute of Standards & Technology; (7) maintains a more current pricing of milk in the market place as prices respond to fluctuations at farm level; and (8) provides grain inspection to protect the grain elevator industry and grain producers. The activities of this program are: Administrative, Weights and Measures Agricultural Commodities, and Dairy Stabilization Board.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2001-2002. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

1. (KEY) To ensure, through the requirement of bonding or through financial regulation, that all farmers are fully compensated for their agricultural products in commercial facilities.

Strategic Link: This objective accomplishes Strategic Objective 1: *To provide an effective program of regulation for the Louisiana grain and cotton industry in order for the producers to sell and/or store their agricultural products to bonded warehouses and grain dealers.*

Explanatory Note: Commercial facilities include grain elevators, rice mills, warehouses and dairy processors. The possibility exists that companies may fail to completely compensate farmers with products in their facilities in cases of financial strain.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Number of farmers not fully compensated for their products in regulated facilities	0	7	0	0	0	0
S	Number of facilities regulated	166	164	176	176	176	165
S	Number of audits performed on facilities	148	145	209	209	209	200
S	Value of products protected (in \$ Millions)	\$960	\$980	\$1,225	\$1,225	\$1,225	\$1,225
S	Cost per \$1000 value of products protected	\$1.20	\$1.20	\$1.80	\$1.80	\$1.80	\$1.80

2. (KEY) To hold the number of verified complaints of deceptive commercial transactions under regulation of the program to 525.

Strategic Link: This objective accomplishes Strategic Objective 3: *To inspect all weighing, measuring, metering, scanning and packaging devices used commercially to ensure that equity prevails for buyers and sellers statewide.*

Explanatory Note: Deceptive commercial transactions include inaccurate weights, measures, and labeling.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE	ACTUAL YEAREND	ACT 11 PERFORMANCE	EXISTING PERFORMANCE	AT CONTINUATION	AT RECOMMENDED
		STANDARD	PERFORMANCE	STANDARD	STANDARD	BUDGET LEVEL	BUDGET LEVEL
		FY 1999-2000	FY 1999-2000	FY 2000-2001	FY 2000-2001	FY 2001-2002	FY 2001-2002
K	Number of verified complaints	525	560	525	525	525	525
S	Number of weighing/metering devices inspected	131,500	120,000	131,500	131,500	131,500	125,000
S	Number of prepackaged commodities tested	474,000	455,000	474,000	474,000	474,000	450,000
S	Number of violations detected ¹	44,000	10,000	44,000	44,000	44,000	40,000
S	Percentage of commodities in violation	9%	9% ²	9%	9%	9%	9%

¹ This indicator includes violations detected as a result of both routine inspections and complaints.

² This percentage is the number provided by the program and shown in LAPAS. However, 10,000 is clearly not 9% of the 455,000 commodities tested.

3. (KEY) To maintain a fair market system in the sale of dairy products that results in no legal challenges to the program's enforcement efforts.

Strategic Link: This objective accomplishes Strategic Objective 2: *To provide an effective program of regulation for the Louisiana dairy industry in order to eliminate waste and to assure a continued supply of high quality dairy products at fair and reasonable prices.*

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES				
		YEAREND	ACTUAL	ACT 11	EXISTING	AT
		PERFORMANCE	YEAREND	PERFORMANCE	PERFORMANCE	CONTINUATION
		STANDARD FY 1999-2000	PERFORMANCE FY 1999-2000	STANDARD FY 2000-2001	STANDARD FY 2000-2001	BUDGET LEVEL FY 2001-2002
K	Number of legal challenges to program enforcement efforts	0	0	0	0	0
S	Incidents of possible unfair practices investigated	275	277	200	200	275
S	Number of violations confirmed	40	19	20	20	20
S	Maximum number of working days to begin investigation of complaints.	2	2	5	5	2
						3

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1999 - 2000	ACT 11 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$1,222,596	\$831,546	\$831,546	\$912,935	\$615,279	(\$216,267)
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	2,154,549	1,954,575	1,954,575	2,144,470	2,109,858	155,283
Statutory Dedications	713,455	800,000	800,000	800,000	800,000	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	58,637	102,822	102,822	102,822	102,822	0
TOTAL MEANS OF FINANCING	\$4,149,237	\$3,688,943	\$3,688,943	\$3,960,227	\$3,627,959	(\$60,984)
EXPENDITURES & REQUEST:						
Salaries	\$2,709,089	\$2,024,536	\$2,024,536	\$2,126,129	\$1,956,165	(\$68,371)
Other Compensation	90,088	114,000	114,000	114,000	114,000	0
Related Benefits	452,090	461,019	461,019	479,763	462,186	1,167
Total Operating Expenses	770,068	782,316	782,316	797,962	754,063	(28,253)
Professional Services	63,637	136,329	136,329	136,329	136,329	0
Total Other Charges	9,664	15,321	15,321	15,321	15,321	0
Total Acq. & Major Repairs	54,601	155,422	155,422	290,723	189,895	34,473
TOTAL EXPENDITURES AND REQUEST	\$4,149,237	\$3,688,943	\$3,688,943	\$3,960,227	\$3,627,959	(\$60,984)
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	80	59	59	59	56	(3)
Unclassified	4	13	13	13	13	0
TOTAL	84	72	72	72	69	(3)

SOURCE OF FUNDING

This program is funded with State General Fund, Fees and Self-generated Revenues, Statutory Dedications and Federal Funds. The Fees and Self-generated Revenues are derived from the following: (1) inspection fees for weights and measures scales; (2) funds collected from assessments on sales of milk and dairy products; (3) reimbursement to the department from the Dairy Industry Promotion Board for collection of revenue; (4) industry reimbursed salary costs of poultry graders assigned to plants; (5) fees collected from poultry plants for grading services; and (6) fees generated from inspection of fruits and vegetables. Statutory Dedications are derived from the Petroleum Products Fund (previously located in DOTD). (Per R. S. 39:32B(8), see table below for a listing of each statutory dedicated fund.) Federal Funds are received from: (1) commodity credit for reimbursement of audit expenses; and (2) USDA reimbursement for sampling commodities.

	ACTUAL 1999- 2000	ACT 11 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
Petroleum and Petroleum Products Fund	\$713,455	\$800,000	\$800,000	\$800,000	\$800,000	\$0

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$831,546	\$3,688,943	72	ACT 11 FISCAL YEAR 2000-2001
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$831,546	\$3,688,943	72	EXISTING OPERATING BUDGET – December 15, 2000
\$66,381	\$66,381	0	Annualization of FY 2000-2001 Classified State Employees Merit Increase
\$35,715	\$35,715	0	Classified State Employees Merit Increases for FY 2001-2002
\$0	\$189,895	0	Acquisitions & Major Repairs
(\$155,422)	(\$155,422)	0	Non-Recurring Acquisitions & Major Repairs
\$29,786	\$29,786	0	Salary Base Adjustment
(\$106,288)	(\$106,288)	(2)	Attrition Adjustment
(\$58,186)	(\$92,798)	(1)	Personnel Reductions
(\$28,253)	(\$28,253)	0	Reductions of operational expenses to anticipated needs
\$615,279	\$3,627,959	69	TOTAL RECOMMENDED

The total means of financing for this program is recommended at 98.3% of the existing operating budget. It represents 78.0% of the total request (\$4,602,417) for this program. At the recommended level of funding, approximately the same level of services should be provided by the program.

PROFESSIONAL SERVICES

\$128,129	Legal Services (Gelpi, Rodney, etc.)
\$8,200	To be determined, Court Reporters
\$136,329	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

	Interagency Transfers:
\$15,321	Statewide fees, Civil Service, UPS, CPTP, Treasury, etc.
\$15,321	SUB-TOTAL INTERAGENCY TRANSFERS
\$15,321	TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

\$189,895	Replacement of various vehicles and equipment
\$189,895	TOTAL ACQUISITIONS AND MAJOR REPAIRS